

Memorandum

To: CHAIR AND COMMISSIONERS

CTC Meeting: August 14, 2003

Reference No.: 2.9b
Action Item

From: ROBERT L. GARCIA
Chief Financial Officer

Prepared by: Robert Sertich
Chief
Division of Budgets

Ref: **TECHNICAL CHANGE TO PREVIOUSLY APPROVED RESOLUTION FA-02-09
RESOLUTION FP-03-07**

ISSUE:

Resolution FA-02-09, originally approved on May 22, 2003, in the amount of \$21,977,351 for one State Transportation Improvement Program (STIP) project.

Project #1 for \$21,977,351 for the Route 680 HOV Lane, Marina Vista to North Main was for an adjustment to the allocation per Assembly Bill 608. This technical change revises the adjusted allocation from \$21,977,351 to \$25,865,000 to correct an error in analyzing the funding plan submitted by the project sponsor.

RECOMMENDATION:

The Department of Transportation recommends the California Transportation Commission approve the preceding technical change.

Attachment(s)

Memorandum

To: CHAIR AND COMMISSIONERS

CTC Meeting: May 21-22, 2003

Reference No.: 2.5i.
Action Item

From: ROBERT L. GARCIA
Chief Financial Officer

Prepared by: Robert Sertich
Chief
Division of Budgets

Ref: **FINANCIAL ALLOCATION ADJUSTMENTS FOR AWARD (ASSEMBLY BILL 608)**
RESOLUTION FA-02-09

ISSUE:

The Metropolitan Transportation Commission (MTC) is requesting a financial adjustment to an allocation pursuant to Assembly Bill 608. The project is currently programmed for construction with \$32,696,000 of RIP shares. The project was awarded in February 21, 2003, twenty ~~five~~ **one** percent lower than the engineer's estimate. The Department requests an adjustment to the allocation and recommends that the California Transportation Commission (Commission) approve the following Resolution.

BACKGROUND:

Assembly Bill 608 amended Section 188.8 of the Streets and Highways Code and was signed by the Governor on October 12, 2001. One provision of this legislation allows the Commission to adjust an allocation amount for a capital outlay project in the State Transportation Improvement Program (STIP) if the construction contract award amount for the project is less than 80% of the engineer's final estimate. The result would be an adjustment to the county shares. This new legislation is permissive and it is understood that the adjustments to the allocations are at the discretion of the Commission. One project has come forward with such a request for an adjustment. This project had a contract award amount 80% less than the engineer's final estimate.

DISCUSSION:**Interstate Route 680 (I-680), Widen for High Occupancy Vehicle Lanes in Walnut Creek from North Main Street to Marina Vista Boulevard in Martinez, Allocation Date: June 13, 2002**

This project will add High Occupancy Vehicle Lanes (HOV) in each direction of travel within the existing median by widening shoulders, realigning ramps, widening structures and re-striping. The Commission approved an allocation for this project on June 13, 2002, for \$32,696,000 of Regional Improvement Program (IIP) funds. The project award amount for these funds was ~~\$21,977,351~~ **\$25,864,752** which is seventy ~~five~~ **nine** percent of the final engineer's estimate.

There were a total of eight contractors providing bids for the project. Based on the number of bids, the bid range, and general overall consistency of the bids, they do not appear to be unbalanced. After examining the bids and individual bid items, the greatest item contributors that decreased the final bid amount were:

<u>Item</u>	<u>Decrease (\$)</u>
Time-Related Overhead	-2,425,600
Mobilization	-1,125,000
Imported Borrow	-902,398
Tieback Anchor	-507,940
Architectural Treatment	-316,000
Class 4 Aggregate Base	-276,500
Asphalt Concrete	-262,500
Replace Concrete Pavement	-270,600
400 mm Cast-in-Drilled Hole Concrete Piling (Rock Socket)	-227,484
105 m Cast-in-Drilled Hole Concrete Piling (Rock Socket)	-204,418
Erosion Control Netting	-200,000
Temporary Railing (Type K)	-190,400
Structure Concrete Bridge	-174,060
Roadway Excavation	-154,500
Native Backfill	-144,000
Concrete Barrier (Type 736)	-142,715

The unit bid prices have been reviewed and are overall, lower than the engineer's estimate. The engineer's estimate is based on historical data. This project also benefits from large economies of scale, where a small change in the unit price of an item can result in a large change in overall cost of the item of work. The State of California also appears to have benefited from strong competition and the prevailing state of the economy.

FINANCIAL RESOLUTION:

Pursuant to Assembly Bill 608, the Interstate Route 680 project, EA 228561, the original allocation for construction in June 2002 for \$32,696,000 be adjusted to ~~\$21,977,351~~ **\$25,865,000**.

Attachment

Project #	EA	Budget Year	Allocation
Allocation Amount	PPNO	Item #	Amount
Recipient	Program / Year	Program Code	
RTPA/CTC	PA&ED	Expenditures:	State
County	PS&E	PA&ED	Federal
Dist-Co-Rte	Const Eng	PS&E	
Postmile (Kilopost)	CONST	Const Eng	Total Amount
CONST	CONST		
2.5i Financial Allocation Adjustment for STIP Project (AB 608)			Resolution: FA-02-09
1			
\$32,696,000	From Walnut Creek to Martinez on I-680 in both directions	228561	
\$21,977,351	between North Main Street to Marina Vista Blvd.	04-0295F	
\$25,865,000	Construct high occupancy vehicle lanes by widening	RIP / 02-03	2002-03
MTC	roadway and structure and restriping.	\$0	301-0042
Contra Costa		\$0	301-0890
04-CC-680	(Adjust original RIP allocation from \$32,696,000 to	\$0	20.20.075.600
15.6/24.3	\$21,977,351 \$25,865,000 for CON pursuant to AB 608.	\$21,977,351	\$29,939,000
	Balance of \$40,718,649 \$6,831,000 in RIP to be returned	\$25,865,000	\$20,131,254
	to Regional share balance.)		\$22,898,000
			\$32,696,000
			\$21,977,351
			\$25,865,000